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Tempe, Arizona 85282  
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Attorneys for Utility Source, LLC

**BEFORE THE ARIZONA CORPORATION COMMISSION**

IN THE MATTER OF THE APPLICATION OF ) DOCKET NO. WS-04235A-05-0707  
UTILITY SOURCE, LLC FOR AN EXTENSION )  
OF ITS CERTIFICATE OF CONVENIENCE AND )  
NECESSITY TO PROVIDE WATER AND )  
WASTEWATER SERVICE IN COCONINO )  
COUNTY, ARIZONA. )

**AMENDED  
APPLICATION**

Utility Source, LLC ("Utility Source" or the "Company") submits this Amended Application to extend its water and wastewater Certificate of Convenience and Necessity ("CC&N"). In support of this Amended Application, the Company states as follows:

1. On October 6, 2005, the Company filed an Application to extend its CC&N.  
2. That Application was set for hearing on April 26, 2006. During that hearing no testimony or exhibits were presented, but the Administrative Law Judge and the parties did address certain procedural issues.

3. On April 28, 2006 a Third Procedural Order was issued continuing the hearing and suspending the time clock until the Company obtained the Arizona Department of Water Resources ("ADWR") Letter of Physical Availability Determination ("PAD").

4. Attached hereto as **Exhibit A** is the ADWR PAD for 101 acre feet of water. This PAD is sufficient to serve all but one of the parcels included in the October 6, 2005 Application. Upon the Company providing additional pumping tests to ADWR, the Company will seek an addition to the PAD and will thereafter reapply to the Commission for the additional CC&N area.

1           5.       Attached hereto as **Exhibit B and Exhibit C** are the Amended Property  
2 Description and map of the amended area. Please note that the revision was the removal of  
3 Parcel E, a single family residence and town home project. That project would require the  
4 demonstration of an adequate water supply which the Company hopes to receive in the near  
5 future. The remaining water parcels, Parcels D and F are commercial projects that do not require  
6 a Letter of Adequacy.

7           6.       During discussions at the April 26, 2006 hearing among the Judge and the parties,  
8 both on and off the record, it was determined that additional information would be helpful to the  
9 parties before rescheduling the hearing, including the following:

10           A.       Arsenic Level Status. Attached as **Exhibits D, E, and F** respectively,  
11 are the following to demonstrate the acceptability of the Company's Arsenic levels:

- 12                   i.       Tests on the composite Shallow Wells 1 through 5.
- 13                   ii.      New Source tests on Deep Wells 1 through 4.
- 14                   iii     The ADEQ MAP Report on the entire system.

15           B.       Effluent Flows. Intervener Bellemont Development Co. indicated  
16 concern with the effluent accumulation in the historic Stock Tank located in the wash on  
17 their site south of Interstate I-40. Although the Stock Tank is not the responsibility of the  
18 Company and the effluent is an issue under the jurisdiction of ADEQ, the Owners of the  
19 Company have agreed to "channelize and rip rap" this natural wash by improving it for  
20 approximately 10 feet wide by 400 feet long to assure no effluent accumulations. The  
21 Stipulation offer to Belmont is attached hereto as **Exhibit G**.

22           7.       Counsel for the Company indicated during the April 26, 2006 hearing that the  
23 Company had not provided notice of that hearing in accordance with the Procedural Order dated

1 February 17, 2006. Counsel was mistaken. The Affidavit of Publication was received on April  
2 14, 2006 and is attached hereto as **Exhibit H**.

3 8. All other portions of the October 6, 2005 Application remain unchanged.

4 WHEREFORE, Utility Source respectfully requests that the Administrative Law Judge  
5 issue a Procedural Order setting the time for the Staff's Response to this Amended Application,  
6 setting a new hearing date on the Amended Application, and providing the form and fashion of  
7 notice to be provided for that new hearing.

8 Respectfully submitted this 22 day of May, 2006.

9 SALLQUIST, DRUMMOND & O'CONNOR, P.C.

10 By: 

11 Richard L. Sallquist

12 SALLQUIST, DRUMMOND & O'CONNOR, P.C.

13 4500 S. Lakeshore Drive, Suite 339

14 Tempe, AZ 85282

15 Attorneys for Utility Source, LLC

1  
2 The original and ten copies of  
3 the foregoing were filed this 23  
day of May, 2006:

4 Docket Control  
5 Arizona Corporation Commission  
6 1200 W. Washington St.  
Phoenix, AZ 85007

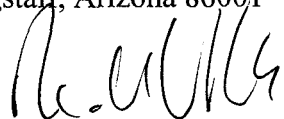
7 Judge Marc Stern  
8 Arizona Corporation Commission  
Hearing Division  
9 1200 West Washington Street  
Phoenix, Arizona 85007

10 David Ronald  
11 Arizona Corporation Commission  
Legal Division  
12 1200 West Washington Street  
Phoenix, Arizona 85007

13 Linda Jaress  
14 Arizona Corporation Commission  
Utilities Division  
15 1200 West Washington Street  
Phoenix, Arizona 85007

16 Jian Liu  
17 Arizona Corporation Commission  
Engineering Division  
18 1200 West Washington Street  
Phoenix, Arizona 85007

19 William Ring  
20 114 N San Francisco, Suite 200  
Flagstaff, Arizona 86001

21   
22  
23

ATTACHMENTS

- A Letter of Physical Availability Determination
- B Amended Property Description
- C Requested Area Map
- D Arsenic Test, Shallow Wells 1 to 5
- E Arsenic Test, Deep Wells 1 to 4
- F ADEQ MAP Test Report
- G Intervenor Stipulation
- H Affidavit of Publication

**ARIZONA DEPARTMENT OF WATER RESOURCES**

**Office of Assured and Adequate Water Supply**

3550 North Central Avenue, Phoenix, Arizona 85012

Telephone 602 771-8500

Fax 602 771-8689



Janet Napolitano  
Governor

Herbert R. Guenther  
Director

May 19, 2006

Mr. Lonnie McCleve  
Utility Source, LLC  
721 East San Pedro  
Gilbert, Arizona 85234

**RE: Utility Source LLC, Coconino County, Arizona**  
**Application for a Physical Availability Demonstration**  
**(ADWR #20-401973.0000)**

Dear Mr. McCleve:

The Department has completed its review of the application for a Physical Availability Demonstration (PAD) for Utility Source, L.L.C. The application is based on the report entitled Physical Availability Demonstration Analysis for Utility Source, LLC, Coconino County, prepared for Utility Source, L.L.C., by HydroSystems, Inc., dated December 2005. The Department also reviewed additional available hydrologic information on file with the Department. The study area consists of approximately *5,120 acres in Section 1, T21N, R5E, and Section 36, T22N, R5E, G&S R B&M* in Coconino County within the Verde Valley sub-basin of the Verde River Groundwater Basin in north-central Arizona.

In accordance with A.A.C. R12-15-717(C), the Department determined that sufficient groundwater is physically available to meet the projected demand of approximately 101 acre-feet per year for 100 years under A.A.C. R12-15-717(B) in the study area. The water level at this location currently exceeds the depth-to-static-water level of 1,200 feet below land surface (bls), as set forth in A.A.C. R12-15-717(B)(1)(c). However, pursuant to A.A.C. R12-15-717(B)(1)(e), the Department may allow a lower depth-to-static-water level if groundwater is available at a lower depth *and* if the applicant has demonstrated the financial capability to access the groundwater at the lower depth. With the completion of the deep wells, the Department has determined that the applicant has demonstrated the financial capability to access the regional aquifer which is more than 1,200 feet bls. As such, the Department has determined that 101 acre-feet of water per year will be physically and continuously available for 100 years at this greater depth.

*Celebrating 25 Years*

**EXHIBIT A**

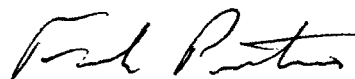
With regard to water quality for the purpose of A.A.C. R12-15-718(A), Utility Source, L.L.C., is currently in compliance with the requirements of the Safe Drinking Water Act (SDWA) as administered by the Arizona Department of Environmental Quality (ADEQ). With regard to water quality for the purpose of A.A.C. R12-15-718(B) the study area is located within one mile of the Navajo Army Depot DOD superfund site (Navajo site). Utility Source, L.L.C., has worked out a series of agreements with ADEQ which is the lead agency overseeing the site investigation and remedial activities at the Navajo site. Utility Source, L.L.C., has agreed to allow the Navajo site to include the provider's deep water supply wells in the on-going site monitoring, including the new well, and has agreed to provide the resulting data to ADEQ. Due to the ongoing oversight of ADEQ, testing and monitoring under the SDWA of the potable system and the deep supply wells, the Department finds that the requirements for water quality under A.A.C. R12-15-718 have been met.

If the Department finds that the groundwater supply is not available because the assumptions and information used in determining the physical availability under the current criteria prove incorrect, the Department will modify the availability of groundwater accordingly. The results of the Department's hydrologic review fulfill the requirements of R12-15-716(C) and can be cited in applications for Water Adequacy Reports for proposed subdivisions in the study area. Water Adequacy Report applications have certain additional requirements based on the adequate water supply criteria referenced in A.R.S. 45-108 and Rule R12-15-701 et. seq. For further information on these requirements, please contact the Office of Assured and Adequate Water Supply at (602) 771-8500.

The Department's determination is an appealable agency action. In order to appeal this decision, you must request an appeal within thirty (30) days from receipt of this letter. I have enclosed a summary of the appeals process and an appeal form should you wish to pursue this option.

If you have any questions regarding the physical availability review, please contact me at (602) 771-8500.

Sincerely,



Frank Putman  
Chief Hydrologist

cc: Doug Dunham, ADWR

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3 **AMENDED PROPERTY DESCRIPTION**

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Parcel Number:	A
Owner:	Empire Properties, LLC
Size:	Approx 90 Acres
Development:	350 Single Family Residences
Service Requested:	Water and Wastewater
Legal Description:	Please see attached Parcel A <b>UNCHANGED</b>
Comment:	Estimated XXX acre feet required

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Parcel Number:	B
Owner:	Win-Peters, Inc.
Size:	30 Acres
Development:	306 Mobile Home Park
Service Requested:	Wastewater Only
Legal Description:	Please see attached Parcel B <b>UNCHANGED</b>
Comment:	Will provide Standpipe water w/i CC&N for this Commercial Project using Deep Well 4 test pump water. Commercial project, no Letter of Adequacy required

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Parcel Number:	C
Owner:	Northwinds Commerce Park, LLC
Size:	20 Acres
Development:	30 Commercial/Industrial Lots
Service Requested:	Wastewater Only
Legal Description:	Please see attached Parcel C <b>UNCHANGED</b>
Comment:	Commercial project, no Letter of Adequacy required

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Parcel Number:	D
Owner:	Flagstaff Meadows R.V. Park, LLC
Size:	9+/- Acres
Development:	150 Recreational Vehicle Spaces
Service Requested:	Water and Wastewater
Legal Description:	Please see attached Parcel D <b>UNCHANGED</b>
Comment:	Project down-sized. Commercial project, no Letter of Adequacy required

Parcel Number:	E
Owner:	Greenfield Land Development Profit Sharing Plan
Size:	20 Acres
Development:	100 Town homes and 50 Single Family Residences
Service Requested:	Water and Wastewater
Legal Description:	
Comment:	<b>WITHDRAWN</b>

Parcel Number:	F
Owner:	Utility Source, LLC
Size:	3 Acres
Development:	Wastewater Treatment Plant
Service Requested:	Water and Wastewater
Legal Description:	Please see attached Parcel F <b>UNCHANGED</b> Please note this is only a small parcel included within the Section 36 area described as Legend F on the attached HydroSystems Figure 2

Exhibit A

**PARCEL NO. 1:**

That portion of the Northeast quarter of Section 1, Township 21 North, Range 5 East, Gila and Salt River Base and Meridian, Coconino County, Arizona, described as follows:

COMMENCING at the North quarter corner of said Section 1;

THENCE South 00° 10' 18" East along the North-South midsection line of said Section 1, a distance of 362.63 feet to the TRUE POINT OF BEGINNING;

THENCE North 89° 49' 53" East, a distance of 176.16 feet;

THENCE North 43° 51' 25" East, a distance of 186.12 feet to a point on the South right-of-way line of Shadow Mountain Drive, as dedicated on plat of Flagstaff Meadows Unit 1 recorded in Case 8, Maps 57-57D, records of Coconino County, Arizona;

THENCE South 46° 08' 35" East along said South right-of-way line, a distance of 1967.51 feet to the Northwest corner of Tract "B" of said Flagstaff Meadows Unit 1;

THENCE South 00° 12' 57" West along the West line of said Tract "B", a distance of 367.81 feet to the Northeast corner of Tract "F" of said Flagstaff Meadows Unit 1;

THENCE North 60° 13' 33" West along the Northerly line of said Tract "F", a distance of 277.14 feet to the Northwest corner thereof;

THENCE South 27° 47' 14" West along the Westerly line of said Tract "F", a distance of 339.37 feet to the Southwest corner thereof;

THENCE North 60° 03' 20" West, a distance of 1524.14 feet to a point on the North-South midsection line of said Section 1;

THENCE North 00° 10' 18" West along the North-South midsection line of said Section 1, a distance of 998.12 feet to the TRUE POINT OF BEGINNING.

**PARCEL NO. 2:**

That portion of Section 1, Township 21 North, Range 5 East of the Gila and Salt River Base and Meridian, Coconino County, Arizona, described as follows:

BEGINNING at a found 5/8" rebar with plastic cap "LS 19344" at the Northwest corner of Section 1, from which a found 3 1/2" aluminum cap "LS 14671" at the North quarter corner of Section 1 bears North 89° 52' 51" East, a distance of 2648.12 feet (measured and basis of bearing for this description) per revised ALTA/ACSM Land and Title Survey by Earl G. Watts, RLS 27253, on 4/22/04;

THENCE along the North Section line of said Section 1, North 89° 52' 51" East (record South 89° 58' 00" East), a distance of 1167.68 feet to a set 1/2" rebar with aluminum cap "LS 27253";

THENCE continuing along said line, North 89° 52' 51" East (record South 89° 58' 00" East), a distance of 654.73 feet to the TRUE POINT OF BEGINNING;

THENCE continuing along said line, North 89° 52' 51" East (record South 89° 58' 00" East), a distance of 825.71 feet to a found 3 1/2" aluminum cap "LS 14671" at the North quarter corner of said Section 1;

THENCE leaving said line, South 00° 24' 00" East, a distance of 1360.53 feet (record South 00° 14' 21" East, 1360.49 feet) to a found 5/8" rebar with plastic cap "LS 19344" on the North right-of-way line of Interstate Highway 40, as created in instrument recorded in Docket 211, page 240, records of Coconino County, Arizona;

THENCE along said right-of-way line, North 60° 16' 09" West, a distance of 1115.91 feet (record North 60° 03' 10" West, 1113.27 feet) to a found ADOT aluminum cap;

THENCE continuing along said right-of-way line, North 48° 41' 23" West (record North 48° 29' 10" West), a distance of 207.40 feet;

THENCE leaving said right-of-way line, South 89° 57' 57" East, a distance of 290.99 feet;

**PARCEL A**

THENCE North 00° 07' 09" West, a distance of 668.63 feet to the North line of said Section 1 and the TRUE POINT OF BEGINNING.

**PARCEL NO. 3:**

That portion of Section 1, Township 21 North, Range 5 East of the Gila and Salt River Base and Meridian, Coconino County, Arizona, described as follows:

BEGINNING at a found 5/8" rebar with plastic cap "LS 19344" at the Northwest corner of Section 1, from which a found 3 1/2" aluminum cap "LS 14671" at the North quarter corner of Section 1 bears North 89° 52' 51" East, a distance of 2648.12 feet (measured and basis of bearing for this description) per revised ALTA/ACSM Land and Title Survey by Earl G. Watts, RLS 27253, on 4/22/04;

THENCE along the North Section line of said Section 1, North 89° 52' 51" East (record South 89° 58' 00" East), a distance of 1167.68 feet to a set 1/2" rebar with aluminum cap "LS 27253" and the TRUE POINT OF BEGINNING;

THENCE continuing along said line, North 89° 52' 51" East (record South 89° 58' 00" East), a distance of 654.73 feet;

THENCE leaving said line, South 00° 07' 09" East, a distance of 668.63 feet;

THENCE North 89° 57' 57" West, a distance of 290.99 feet to the intersection with the Northerly right-of-way line of Interstate Highway 40, as created in instrument recorded in Docket 211, page 240, records of Coconino County, Arizona;

THENCE along said right-of-way line, North 48° 41' 23" West, a distance of 664.13 feet to a found ADOT aluminum cap stamped "NO. 1015";

THENCE leaving said right-of-way line, North 30° 19' 06" East, a distance of 264.91 feet to the North Section line of said Section 1 and the TRUE POINT OF BEGINNING.

## **LEGAL DESCRIPTION**

The East half of the Southeast quarter of the Northwest quarter and the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 35, Township 22 North, Range 5 East of the Gila and Salt River Base and Meridian, Coconino County, Arizona.

**PARCEL B**

THIS PLAN MEANS TO BE  
 A PRELIMINARY PLAN  
 FOR THE PURPOSE OF  
 OBTAINING A PERMIT  
 FROM THE ARIZONA  
 DEPARTMENT OF  
 LAND AND WATER

FOR AGENCY  
 REVIEW ONLY

DATE	BY	REVISION

SHEPARD - WESNITZER, INC.  
 CIVIL ENGINEERING AND SURVEYING  
 1146 W. HWY 89A SUITE B, SEDONA, AZ 86340  
 (928) 283-0001 FAX

DATE	BY	REVISION

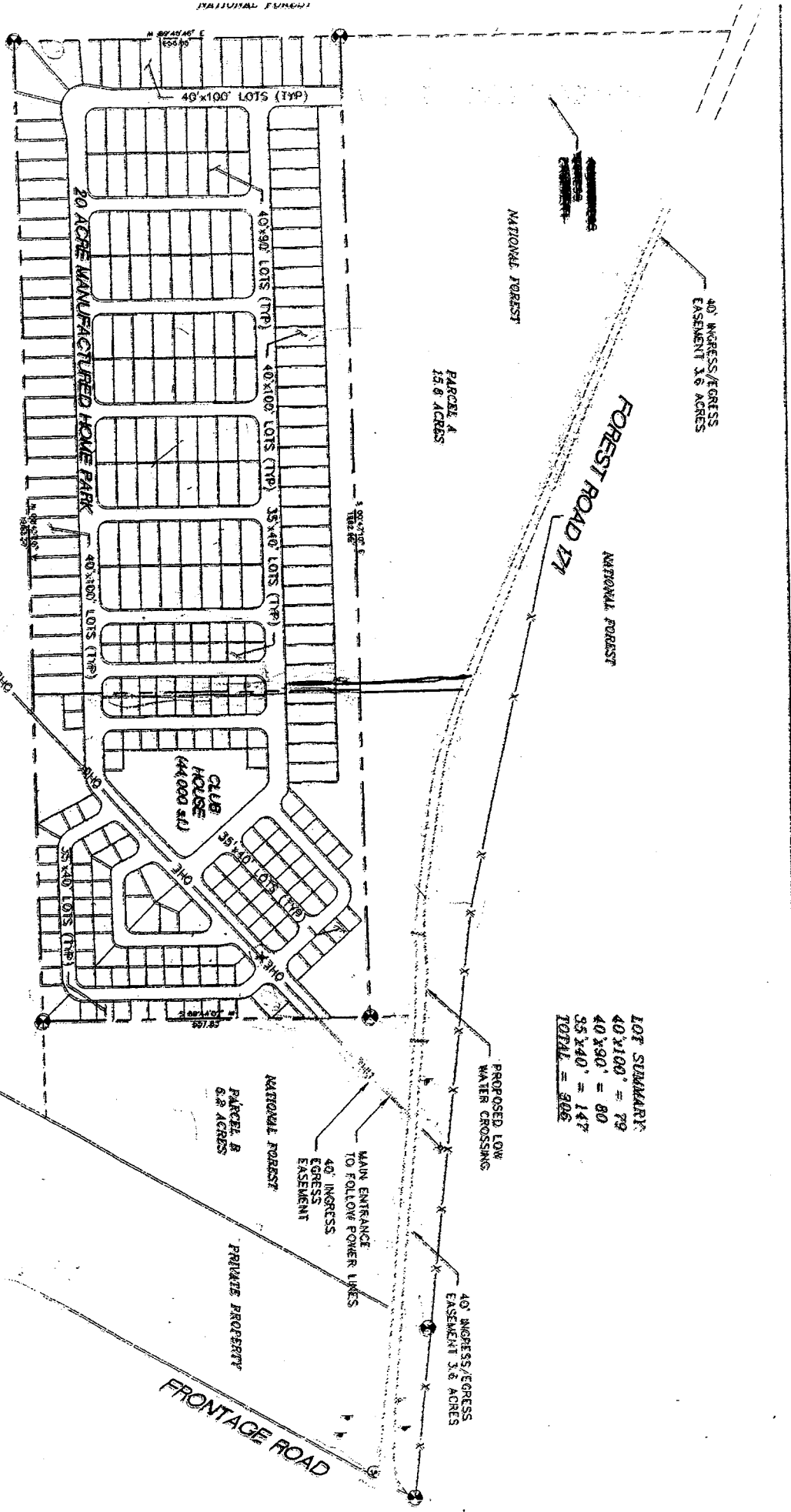
BLINDMONT MOBILE PARK  
 INGRESS EGRESS EASEMENT  
 AND LAND EXCHANGE  
 AT TRIMBLE 2

CORONA COUNTY  
 ARIZONA

SHEET  
 1

30 AC

274



## LEGAL DESCRIPTION:

### Parcel No. 1:

That part of section 35, Township 22 North, Range 5 east of the Gila and Salt River Base and Meridian, Coconino County, Arizona. Described as follows:

From the southeast corner of said section 35, a brass cap in hand hole, run N 01° 04' 15" E along the section line a distance of 662.95 feet to the true point of beginning;

Thence N 89° 57' 56" W, a distance of 659.88 feet;

Thence S 0° 56' 32" E, a distance of 51.96 feet to the northerly right of way line of Interstate 40;

Thence N 60° 03' 10" W along the northly right of way line of Interstate 40, a distance of 548.63 feet;

Thence S 29° 56' 50" W a distance of 25.00 feet;

Thence N 60° 03' 10" W, a distance of 1655.04 feet to a point on Old Timber Road;

Thence N 5° 00' E along the easterly right of way line of Old Timber Road, a distance of 330.87 feet;

Thence S 60° 03' 10" E, a distance of 2188.72 feet;

Thence S 89° 57' 56" E, a distance of 659.28 feet to the east line of said Section 35;

Thence S 1° 04' 15" E along the section line, a distance of 268.49 feet to the true point of beginning.

### Parcel No. 2:

That part of Section 35, Township 22 North, Range 5 east of the Gila and Salt River Base and Meridian, Coconino County, Arizona, described as follows:

From the center of said section 35, run S 89° 57' 27" W along the mid-section line, a distance of 870.23 feet to the true point of beginning;

Thence S 89° 57' 27" W along the midsection line, a distance of 445.53 feet;

Thence S 0° 23' 57" east, a distance of 156.97 feet to the northerly right of way line of Interstate 40;

Thence S 60° 03' 10" E along the northerly right of way line of Interstate 40, a distance of 1451.69 feet to the Old Timber Road;

Thence N 5° 00' E along the westerly right of way line of Old Timber Road, a distance of 394.95 feet;

Thence N 60° 03' 10" W, a distance of 978.53 feet to the true point of beginning.

**EXHIBIT "A"**  
**(Continued)**

EXCEPT any portion lying within the following described property:

That part of the West half of the Southwest quarter of Section 6, Township 21 North, Range 6 East, Gila and Salt River Base and Meridian, Coconino County, Arizona, described as follows:

BEGINNING at the West quarter corner of said Section 6, marked by a U.S. G. L. O. Brass cap;

THENCE South  $0^{\circ} 00' 30''$  West along the West line of said Section 6, a distance of 1094.74 feet to a 5/8 inch iron pin and an aluminum cap marking the intersection of the section line and the Northerly right-of-way line of U.S. Highway 66;

THENCE South  $60^{\circ} 03' 30''$  East along the Northerly right-of-way line of U.S. Highway 66, a distance of 531.56 feet to Corner No. 4 of that property described in Docket 317, page 354, records of Coconino County, Arizona;

THENCE North  $31^{\circ} 31' 00''$  East, a distance of 572.07 feet (record North  $31^{\circ} 31' 00''$  East, 568 feet) to Corner No. 3, described in the above-referenced Docket;

THENCE North  $33^{\circ} 52' 45''$  West, a distance of 60.02 feet (record North  $33^{\circ} 52' 00''$  West, 60 feet) to Corner No. 2, described in the above-referenced Docket;

THENCE North  $21^{\circ} 40' 39''$  East, a distance of 885.14 feet (record North  $21^{\circ} 40' 00''$  East, 885.6 feet) to Corner No. 1, described in the above-referenced Docket;

THENCE North  $21^{\circ} 40' 39''$  East, a distance of 55.19 feet to the intersection of the East-West mid-section line of said Section 6;

THENCE South  $87^{\circ} 15' 51''$  West along the East-West mid-section line of said Section 6, a distance of 1074.61 feet to the POINT OF BEGINNING.



## **LOT 1**

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 22 NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, COCONINO COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 36;  
THENCE NORTH 01°03'21" WEST ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36 A DISTANCE OF 226.41 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING NORTH 01°03'21" WEST 436.64 FEET TO A USDA ALUMINUM CAP REBAR MARKED "S-S 1/64 S35/S36 RLS 9431 1989";  
THENCE SOUTH 89°54'02" EAST 666.59 FEET;  
THENCE SOUTH 00°20'15" EAST 371.51 FEET;  
THENCE SOUTH 89°40'18" EAST 33.94 FEET;  
THENCE SOUTH 00°13'15" WEST 223.11 FEET;  
THENCE NORTH 89°44'08" WEST 113.88 FEET TO THE BEGINNING OF A 743.51 FOOT RADIUS NON-TANGENT CURVE, CONCAVE TO THE NORTH, A RADIAL TO SAID BEGINNING BEARS  
SOUTH 00°12'16" WEST;  
THENCE WESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 29°44'56" AN ARC DISTANCE OF 386.04 FEET;  
THENCE NON-TANGENT TO SAID CURVE, NORTH 67°27'22" WEST 155.35 FEET TO THE POINT OF BEGINNING.

**PARCEL D**



Parcel E in the Application dated October 6, 2005 is withdrawn

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**PARCEL E**

## LOT 2

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 22 NORTH, RANGE 5 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, COCONINO COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 36;  
THENCE SOUTH 89°56'29" EAST ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36, A DISTANCE OF 1141.95 FEET;  
THENCE NORTH 02°24'39" WEST 24.44 FEET;  
THENCE NORTH 89°54'33" WEST 211.55 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING NORTH 89°54'33" WEST 271.24 FEET;  
THENCE NORTH 87°13'35" WEST 36.57 FEET;  
THENCE NORTH 00°13'15" EAST 264.70 FEET;  
THENCE NORTH 89°40'18" EAST 33.94 FEET;  
THENCE NORTH 00°20'15" WEST 371.51 FEET;  
THENCE SOUTH 89°54'02" EAST 293.21 FEET;  
THENCE SOUTH 19°55'51" WEST 389.44 FEET;  
THENCE SOUTH 45°56'35" WEST 87.94 FEET;  
THENCE SOUTH 00°50'20" WEST 60.34 FEET;  
THENCE SOUTH 13°35'23" WEST 33.78 FEET;  
THENCE SOUTH 20°11'26" EAST 45.04 FEET;  
THENCE NORTH 69°13'19" EAST 67.83 FEET;  
THENCE SOUTH 37°02'07" EAST 84.38 FEET;  
THENCE SOUTH 60°50'07" EAST 65.03 FEET TO THE POINT OF BEGINNING.

PARCEL F

KAIBAB NATIONAL FOREST

FND, USDA ALUM. CAP  
MKD 'S-S 1/64 S35/S36  
RLS 9431, 1989'

S 89°54'02" E  
666.59'

S 89°54'02" E  
293.21'

DKT 550,  
P 279, RCC

N 01°03'21" W (BASIS OF BEARINGS)

436.64' (M)  
436.71' (R)

663.05'

FND, AHD BRASS CAP  
MKD '3+97.25'

LOT 1

356,302 SF  
8.1796 AC

FND, AHD BRASS CAP

L17

226.39' (R)  
226.41' (M)

S35

S2

S36

S1

C1

L2

1141.95'

FND, AHD BRASS CAP

S 89°56'29" E  
2649.10'

FND, 5/8" REBAR  
W/TAG 'PE 2007'

L16

223.11'

S 00°13'15" W 264.70'  
371.51'

L1

LOT 2

129,635 SF  
2.9760 AC

N 19°55'51" E  
389.44'

L5

L6

L7

L8

L9

L10

L11



1 mile

**HST** HydroSystems Inc.  
 GARY G. SMALL M.S., P.G., C.E.I.  
 1220 S. PARK LANE, SUITE 5 TEMPE, AZ. 85281  
 TELEPHONE: 480-517-9050 FAX: 480-517-9049

## Legend

- A- Empire Properties, LLC
- B- Win-Peters, Inc.
- C- Northwinds Commerce Park, LLC
- D- Flagstaff Meadows R.V. Park, LLC
- E- Greenfield Land Development Profit Sharing Plan
- F- Original CCN

**Figure 2**  
**Proposed CCN Expansion**

# COCONINO COUNTY Coconino

## RANGE 5 East

## TOWNSHIP 22 North

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36



W-2526 (2)  
Belmont Water Company



Utility Source, LLC - Phase I  
Docket No. WS-4235-04-073  
Application for CC&N for Water and Sewer



Utility Source, LLC  
CC&N Extension Application  
Waste Water Only



# COCONINO COUNTY: Coconino

RANGE 5 East

TOWNSHIP 21 North



W-2526 (2)  
Bellemont Water Company



Utility Source, LLC - Phase I  
Docket No. WS-4235-04-073  
Application for CC&N for Water and Sewer



Utility Source, LLC  
CC&N Extension Application  
Water and Waste Water

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
DRINKING WATER INORGANIC CHEMICAL ANALYSIS REPORT  
\*\*\* SAMPLES TO BE TAKEN AT P.O.E. ONLY\*\*\*

03-300

Flagstaff Meadows Subdivision

System ID

System Name

05/05/2006 11:00 (24 hr clock)

Jeremy McCaleb

Sample date Sample time

Owner / Contact Person Name

(928) 213-9529

(928) 699-2226

Owner / Contact Fax Number

Owner / Contact Person Phone Number

Sample Type

☒ Compliance Monitoring

Sample Collection Point

☒ Point of Entry#

Shallow Well 1,2,3,4, & 5 (Main Before Tank)

Sampling Site ID

For MCL or Composite Level Exceedance  
Original Violation Specimen Number

Sample Type

☐ Confirmation

☐ Confirmation Composite

INORGANIC CHEMICAL ANALYSIS

>>>>To be filled out by laboratory personnel<<<<

Analysis Method	MCL	Reporting Limit	Contaminant Name	Cont. Code	Analysis Run Date	Result	Exceeds MCL	Exceeds Reporting Limit
EPA 200.9	0.05	0.05	Arsenic	1005	05/10/2006 15:20	0.002	<input type="checkbox"/>	<input type="checkbox"/>

6050355-01

SPECIMEN NUMBER

>>>> LABORATORY INFORMATION <<<<

To be filled out by laboratory personnel

ID Number AZ0004 Name: Legend Technical Services of Arizona

Comments:

Authorized Signature: Barbara L. Frank

Date Public Water System Notified:

\* Unregulated Contaminants

All units must be reported in milligrams per liter (mg/L)

EXHIBIT D

May 17, 2006 3:10 PM

NO. 2939 P. 1/1

Nortest Analytical  
2900 E. Huntington Dr.  
Flagstaff, AZ 86004

Project: Flagstaff Meadows Subdivision  
Project Number: 03-300  
Project Manager: Georgia Howeth

Reported:  
05/17/06 14:57

Shallow Well 1, 2, 3, 4, & 5 (Main Before Tank) (6050255-01) Drinking Water (Grab) Sampled: 05/05/06 11:00  
Received: 05/05/06 16:00

Analyte	Result	RL	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
---------	--------	----	-------	----------	-------	----------	----------	--------	-------

**Total Metals**

Arsenic	0.002	0.002	mg/L	1	B6E0129	05/05/06 11:01	05/10/06 15:20	EPA 200.9	
---------	-------	-------	------	---	---------	----------------	----------------	-----------	--



Nortest Analytical  
2400 E. Huntington Dr.  
Flagstaff, AZ 86004

Project: Flagstaff Meadows Subdivision  
Project Number: Flagstaff Meadows Sub.  
Project Manager: Georgia Howeth

Reported:  
03/03/05 17:01

*Deep Well #1*

DRAFT: 550093 (DWZ)  
5021060-01 (Drinking Water)

Analyte	Result	RL	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
---------	--------	----	-------	----------	-------	----------	----------	--------	-------

**DRAFT: Total Metals**

Arsenic	0.003	0.002	mg/L	1	B502617	02/22/05	02/25/05	EPA 200.9	
---------	-------	-------	------	---	---------	----------	----------	-----------	--

*Deep Well #2*

DRAFT: 550094 (DWZ)  
5021060-02 (Drinking Water)

Analyte	Result	RL	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
---------	--------	----	-------	----------	-------	----------	----------	--------	-------

**DRAFT: Total Metals**

Arsenic	<0.002	0.002	mg/L	1	B502617	02/22/05	02/25/05	EPA 200.9	
---------	--------	-------	------	---	---------	----------	----------	-----------	--

DRAFT REPORT

Certifications: AZ #0004 MN #004-999-387 AIHA #102982

The results in this report apply to the samples analyzed in accordance with the chain of custody document. This analytical report must be reproduced in its entirety.

**EXHIBIT E**



Del Mar Analytical

Hydro Systems, Inc.  
1220 S. Park Lane  
Tempe, AZ 85281  
Attention: Phil Paski

Project ID: 04-369

Report Number: PNF0782

Sampled: 06/30/04  
Received: 06/30/04

DEEP WELL 3  
17461 Dorian Ave., Suite 100, Irvine, CA 92614 (949) 261-1022 FAX (949) 261-1228  
1014 E. Cooley Dr., Suite A, Colton, CA 92324 (800) 370-4667 FAX (949) 370-1046  
9494 Chesapeake Dr., Suite 605, San Diego, CA 92123 (619) 505-6596 FAX (619) 505-6689  
9830 South 51st St., Suite B-120, Phoenix, AZ 85044 (480) 785-0043 FAX (480) 785-0851  
2520 E. Sunset Rd. #3, Las Vegas, NV 89120 (702) 798-3620 FAX (702) 798-3621

### TOTAL RECOVERABLE METALS

Analyte	Method	Batch	Reporting Limit	Sample Result	Dilution Factor	Date Extracted	Date Analyzed	Data Qualifiers
Sample ID: PNF0782-01 (04369-NS - Water)								
Reporting Units: mg/l								
Antimony	EPA 200.9	P4G0201	0.0040	ND	1	7/2/2004	7/8/2004	
Arsenic	EPA 200.9	P4G0201	0.0030	0.0060	1	7/2/2004	7/6/2004	
Barium	EPA 200.7	P4G0101	0.010	0.47	1	7/1/2004	7/1/2004	
Beryllium	EPA 200.7	P4G0101	0.0040	ND	1	7/1/2004	7/1/2004	
Cadmium	EPA 200.7	P4G0101	0.0050	ND	1	7/1/2004	7/1/2004	
Calcium	EPA 200.7	P4G0101	2.0	21	1	7/1/2004	7/1/2004	
Chromium	EPA 200.9	P4G0201	0.0040	0.0046	1	7/2/2004	7/9/2004	
Copper	EPA 200.7	P4G0101	0.020	ND	1	7/1/2004	7/1/2004	
Lead	EPA 200.9	P4G0201	0.0020	ND	1	7/2/2004	7/8/2004	
Magnesium	EPA 200.7	P4G0101	0.50	13	1	7/1/2004	7/1/2004	
Nickel	EPA 200.7	P4G0101	0.050	ND	1	7/1/2004	7/1/2004	
Selenium	EPA 200.9	P4G0201	0.0040	ND	1	7/2/2004	7/12/2004	
Thallium	EPA 200.9	P4G0201	0.0020	ND	1	7/2/2004	7/12/2004	

Del Mar Analytical - Phoenix  
Ken Baker  
Project Manager

The results pertain only to the samples tested in the laboratory. This report shall not be reproduced, except in full, without written permission from Del Mar Analytical.

PNF0782 <Page 2 of 3>



# Del Mar Analytical

17461 Derian Ave., Suite 100, Irvine, CA 92614 (949) 261-1022 FAX (949) 260-3297  
 1014 E. Cooley Dr., Suite A, Colton, CA 92324 (909) 370-4667 FAX (909) 370-1046  
 9484 Chesapeake Dr., Suite 805, San Diego, CA 92123 (858) 505-8596 FAX (858) 505-9689  
 9830 South 51st St., Suite 8-120, Phoenix, AZ 85044 (480) 785-0043 FAX (480) 785-0851  
 2520 E. Sunset Rd. #3, Las Vegas, NV 89120 (702) 798-3620 FAX (702) 798-3621

Hydro Systems, Inc.  
 1220 S. Park Lane  
 Tempe, AZ 85281  
 Attention: Phil Paski

Project ID: 05-400

Report Number: POJ0871

**DEEP WELL 4**  
 Sampled: 10/31/05  
 Received: 10/31/05

## TOTAL RECOVERABLE METALS

Analyte	Method	Batch	Reporting Limit	Sample Result	Dilution Factor	Date Extracted	Date Analyzed	Data Qualifiers
Sample ID: POJ0871-01 (05400-206887-NS - Water)								
Reporting Units: mg/l								
Antimony	EPA 200.9	P5K0128	0.0040	ND	1	11/2/2005	11/8/2005	
Arsenic	EPA 200.9	P5K0128	0.0030	0.0057	1	11/2/2005	11/4/2005	
Barium	EPA 200.7	P5K0201	0.010	0.17	1	11/2/2005	11/4/2005	
Beryllium	EPA 200.7	P5K0201	0.0040	ND	1	11/2/2005	11/4/2005	
Cadmium	EPA 200.7	P5K0201	0.0050	ND	1	11/2/2005	11/4/2005	
Calcium	EPA 200.7	P5K0201	2.0	25	1	11/2/2005	11/4/2005	
Chromium	EPA 200.9	P5K0128	0.0040	0.0040	1	11/2/2005	11/14/2005	
Copper	EPA 200.7	P5K0201	0.020	ND	1	11/2/2005	11/4/2005	
Iron	EPA 200.7	P5K0201	0.20	0.22	1	11/2/2005	11/4/2005	
Lead	EPA 200.9	P5K0128	0.0020	ND	1	11/2/2005	11/7/2005	
Magnesium	EPA 200.7	P5K0201	0.50	12	1	11/2/2005	11/4/2005	
Manganese	EPA 200.7	P5K0201	0.020	ND	1	11/2/2005	11/4/2005	
Mercury	EPA 245.1	P5K0311	0.00020	ND	1	11/3/2005	11/3/2005	
Nickel	EPA 200.7	P5K0201	0.050	ND	1	11/2/2005	11/4/2005	
Potassium	EPA 258.1	P5K0124	2.0	2.4	2	11/2/2005	11/2/2005	
Selenium	EPA 200.9	P5K0128	0.0040	ND	1	11/2/2005	11/29/2005	
Silica	EPA 200.7	P5K0201	2.5	14	1	11/2/2005	11/4/2005	
Thallium	EPA 200.9	P5K0128	0.0020	ND	1	11/2/2005	11/11/2005	
Zinc	EPA 200.7	P5K0201	0.050	ND	1	11/2/2005	11/4/2005	

Sample ID: POJ0871-01RE1 (05400-206887-NS - Water)

Reporting Units: mg/l

Sodium	EPA 273.1	P5K1005	5.0	ND	1	11/10/2005	11/21/2005	
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Del Mar Analytical - Phoenix  
 Ken Baker  
 Project Manager

The results pertain only to the samples tested in the laboratory. This report shall not be reproduced.

TOTAL P.03



MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE



Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or Mike Hill at (602) 771-4518 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10501	Invoice Number 62900
To: MCCLEVE, LONNIE 721 E SAN PEDRO GILBERT, AZ 85234	Public Water System ID #: 03300
	Billing for Calendar Year: 2006
	Due Date: January 30, 2006
	Total Amount Due .....\$ 288.55
	Amount Paid .....\$

↑ Keep the top portion for your records. ↑

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 62900

MCCLEVE, LONNIE 721 E SAN PEDRO GILBERT, AZ 85234	Owner Id #: 10501	MAP
	Billing for Calendar Year: 2006	
	Due Date: 01/30/2006	

03300 - Bellemont Truck Center

ANNUAL SAMPLING FEE WORKSHEET

For the past several years, the MAP Annual invoice has included a credit to refund surplus dollars above the cost, at the rate of fifty cents (50¢) per connection. This process is changing. Instead, a refund check will be issued to all eligible water systems by April 1, 2006. We ask you to be patient and wait until after April 1 to call with questions on the refund.

Base Fee (all MAP systems) .....	\$	250.00
Fee per Connection in 2006 .....	15 connections X \$ 2.57 .....	\$ 38.55
Total Sampling Fee .....	\$	288.55
Plus Paid Interest Charges and/or Other Adjustments .....	\$	0.00
Plus Unpaid Interest Charges as of 12/15/2005 .....	\$	0.00
Minus Payments Received and/or Other Adjustments .....	\$	0.00
Amount Due .....	\$	288.55
Amount received by ADEQ (Make check payable to State of Arizona) .....	\$	



A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005-8228

Check Number:
Received:
Postmarked:
Entered:

MW1 12/15/2005  
WM300G6

EXHIBIT F

UTILITY SOURCE LLC  
721 E. SAN PEDRO AVE.  
GILBERT, AZ 85234

1226

91-527 322  
1221

DATE 1-26-06

PAY  
TO THE  
ORDER OF

ADEQ - STATE OF ARIZONA

\$ 288.55

Two Hundred eighty eight 55/100

DOLLARS



Wells Fargo Bank Arizona, N.A.  
1901 S. Gilbert Rd.  
Mesa, AZ 85204  
www.wellsfargo.com

Annual Sampling  
Fee

*[Signature]*

FOR

INV. # 62900

#03300 ⑈001226⑈ ⑆122105278⑆3312412467⑈

③ ADEQ

NUMBER	SYSID	NAME	CONT CODE	CONT NAME	SAMPLE TYPE	D_PWS_FED_TYPE	C_POE	CONCENTRATION	MSR	DETECTN	LIMIT	NUM
AZ0403300	03300	BELLEMONT TRUCK CENTER 1005		ARSENIC	IOCs	C	EPDS001	0.002		0		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1010		BARIUM	IOCs	C	EPDS001	0.28		0		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1015		CADMIUM	IOCs	C	EPDS001	0		0.0005		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1020		CHROMIUM	IOCs	C	EPDS001	0.0025		0		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1024		CYANIDE	IOCs	C	EPDS001	0		0.03		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1025		FLUORIDE	IOCs	C	EPDS001	0.087		0		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1035		MERCURY	IOCs	C	EPDS001	0		0.0002		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1036		NICKEL	IOCs	C	EPDS001	0		0.005		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1041		NITRITE (AS N)	NITRITE	C	EPDS001	0		0.1		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1045		SELENIUM	IOCs	C	EPDS001	0		0.005		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1052		SODIUM	IOC-SODIUM	C	EPDS001	9.8		0		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1074		ANTIMONY	IOCs	C	EPDS001	0		0.001		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1075		BERYLLIUM	IOCs	C	EPDS001	0		0.001		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1085		THALLIUM	IOCs	C	EPDS001	0		0.001		
AZ0403300	03300	BELLEMONT TRUCK CENTER 1094		ASBESTOS	ASBESTOS	C	EPDS001	0		0.01		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2005		ENDRIN	SOCs	C	EPDS001	0		0.00001		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2010		BHC-GAMMA (LINDANE)	SOCs	C	EPDS001	0		0.00002		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2015		METHOXYCHLOR	SOCs	C	EPDS001	0		0.0001		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2020		TOXAPHENE	SOCs	C	EPDS001	0		0.001		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2031		DALAPON	SOCs	C	EPDS001	0		0.1		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2032		DIQUAT	SOCs	C	EPDS001	0		0.0004		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2033		ENDOTHALL	SOCs	C	EPDS001	0		0.009		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2034		GLYPHOSATE	SOCs GLYPHOSATE - DIOXIN	C	EPDS001	0		0.006		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2035		D[(2-ETHYLHEXYL) - ADIPATE	SOCs	C	EPDS001	0		0.0006		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2036		OXAMYL (VYDATE)	SOCs	C	EPDS001	0		0.002		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2037		SIMAZINE	SOCs	C	EPDS001	0		0.00007		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2039		D[(2-ETHYLHEXYL) - PHTHALATE	SOCs	C	EPDS001	0		0.0006		
AZ0403300	03300	BELLEMONT TRUCK CENTER 2040		PICLORAM	SOCs	C	EPDS001	0		0.0001		



1                   **BEFORE THE ARIZONA CORPORATION COMMISSION**

2   IN THE MATTER OF THE APPLICATION OF        )   DOCKET NO. WS-04235A-05-0707  
3   UTILITY SOURCE, LLC FOR AN EXTENSION       )  
4   OF ITS CERTIFICATE OF CONVENIENCE AND       )  
5   NECESSITY TO PROVIDE WATER AND               )                   **STIPULATION**  
6   WASTEWATER SERVICE IN COCONINO             )  
7   COUNTY, ARIZONA.                             )

8               WHEREAS, Utility Source, LLC ("Utility Source" or the "Company") has requested the  
9   Arizona Corporation Commission ("Commission") for authority to expand its wastewater  
10   Certificate of Convenience and Necessity ("CC&N"), and is seeking related approvals from other  
11   agencies regarding the expanded Wastewater Treatment Plant ("WWTP") to serve that area; and

12               WHEREAS, Lonnie McCleve ("McCleve") is the owner of the Company; and

13               WHEREAS, Bellemont Development Co. "(Bellemont") has intervened in the CC&N  
14   proceeding before the Commission, expressing concerns with the potential accumulation of  
15   effluent from the WWTP in a Stock Tank constructed on Bellemont's property in the wash  
16   downstream from the WWTP; and

17               WHEREAS, although not the responsibility of McCleve or the Company and beyond of  
18   the jurisdiction of the Commission, McCleve has agreed to mitigate that possible accumulation  
19   in exchange for Bellemont supporting the CC&N application and the other approvals associated  
20   with the WWTP.

21               NOW, THEREFORE, in consideration of the premises and mutual obligations of the  
22   parties hereto, the undersigned stipulate as follows:

23               1.     McCleve will, at McCleve's sole expense, cause the area herein described as the  
Wash located on the Bellemont property, and more fully described on the drawing attached  
hereto as Attachment A, to be surveyed and will thereafter remove the existing earthen berm



1 from the Wash which forms an historic Stock Tank in the Wash, and after said removal will  
2 channelize and rip rap the Wash (herein after referred to as the "Improvements"). These  
3 Improvements shall be constructed in a manner similar to the channelization and rip rap of that  
4 same wash immediately north of Interstate Highway I-40.

5       2.     The design and construction of the Improvements will commence within 30 days  
6 of the later of the issuance of the CC&N by the Commission and the ADEQ approvals of the  
7 expansion and operation of the WWTP. Construction will be completed as soon as possible, but  
8 in no event more than 180 days after commencing construction.

9       3.     McCleve shall obtain all permits required for the Improvements.

10       4.     Bellemont shall support the Company in its application to expand the CC&N  
11 before the Commission, all ADEQ required permits, and any other agencies approvals required  
12 for the WWTP and the Improvements referred to herein.

13       5.     Belmont hereby grants to the Company, McCleve, and their agents the right to  
14 make whatever application(s) required for the Improvements in the name of Bellemont, and  
15 further grants the Company, McCleve, and their agents and contractors the right to enter onto the  
16 Bellemont property for the purposes contemplated herein.

1  
2 IN WITNESS WHEREOF, the parties hereto have executed this Stipulation on the \_\_\_\_  
3 day of May, 2006.

4 Utility Source, LLC.

Bellemont Development Co

5 By: \_\_\_\_\_

By: \_\_\_\_\_

6 Lonnie McCleve

\_\_\_\_\_

7 Its: Managing Member

Its: \_\_\_\_\_

8  
9 \_\_\_\_\_  
10 Lonnie McCleve  
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**AFFIDAVIT/PROOF OF PUBLICATION**

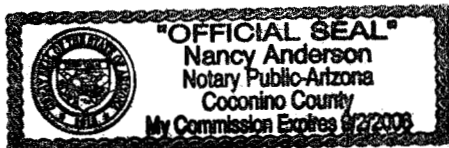
**STATE OF ARIZONA**

} ss.

**County of Coconino**

Bobbie Crosby being duly sworn, deposes and says:

That she is the legal clerk of the Arizona Daily Sun  
a newspaper published at Flagstaff, Coconino County, Arizona; that the  
legal 7772  
\_\_\_\_\_ a copy of which is  
hereunto attached, was first published in said newspaper in its issue dated  
the 2 day of March, 2006, and was  
published in each one issue of said newspaper for three  
consecutive days the last publication being in the issue dated the  
4 day of March, 2006.



[Signature]  
Subscribed and sworn to before me this

13 day of April, 2006  
Nancy Anderson  
Nancy Anderson

Notary Public

My Commission expires 9/2/2006

**EXHIBIT H**

Legal No. 7772

IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105, except that all motions to intervene must be filed on or before April 5, 2006. IT IS FURTHER ORDERED that Applicant shall provide public notice of the hearing in this matter, in the following form and style:

**PUBLIC NOTICE OF THE HEARING FOR UTILITY SOURCE, L.L.C. FOR AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER AND WASTEWATER SERVICE (WS-02435A-05A0707)**

On October 6, 2005, Utility Source, L.L.C. ("Applicant") filed an application for an extension of its CC&N to various parts of Coconino County, Arizona.

The application is available for inspection during regular business hours at the offices of the Commission in Phoenix, at 1200 West Washington Street, Phoenix, Arizona and at the Applicant's office, 721 E. San Pedro Gilbert, AZ 85234 and on the internet via the Commission website ([www.azcc.gov](http://www.azcc.gov)) using the e-docket function.

The Commission will hold a hearing on this matter commencing on April 26, 2006 at 9:30 a.m. at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona. Public Comments will be taken on the first day of the hearing.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Intervention shall be permitted to any person entitled by law to intervene and having a direct and substantial interest on the matter. Person desiring to intervene must file a written motion of intervention with the Commission, which motion should be sent to Applicant or its counsel and to all parties of record, and which, at the minimum, shall contain the following:

1. The name, address, and telephone number of the proposed intervenor and of any party upon whom service of documents is to be made if different than the intervenor.

2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of Applicant, a shareholder of Applicant, a competitor, etc.).

3. A statement certifying that a copy of the motion

to intervene has been mailed to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before April 5, 2006. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf.

If you have any questions or concerns about this application or have any objections to its approval, or wish to make a statement in support of it, you may write the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000 or appear at the hearing and make comment.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting Linda Hogan, ADA Coordinator, voice phone number 602/542-3931, E-mail [lhogan@cc.state.az.us](mailto:lhogan@cc.state.az.us). Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that Applicant shall cause the above notice to be mailed to property owners in the extension area and to customers and published at least once in a newspaper of general circulation in its service territory, with publication to be completed no later than March 10, 2006.

IT IS FURTHER ORDERED that Applicant shall file certification of publication as soon as practicable after the publication has been completed.

IT IS FURTHER ORDERED that notice shall be deemed complete upon publication of same, notwithstanding the failure of an individual customer to read or receive the notice.

IT IS FURTHER ORDERED that the presiding Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

Dated this 17th day of February, 2006

/s/MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed/delivered this 17 day of February, 2006 to:  
Richard L. Sallquist,  
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By: /s/ Molly Johnson  
Secretary to Marc E. Stern  
PUB: Mar, 2, 3, 4, 2006 7772